

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 749 - SB 900

April 2, 2019

SUMMARY OF BILL: Requires any county clerk to renew a handgun carry permit (HCP). Requires the Department of Safety (DOS) or the county clerk in coordination with the Department to conduct a name-based criminal history record check every four years or upon receipt of an application.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$795,000/One-Time

**Decrease State Expenditures – Exceeds \$30,300/Recurring/Handgun Permit
Division**

Increase Local Expenditures – Exceeds \$30,300/Recurring*

Assumptions:

- Pursuant to Tenn. Code Ann. § 55-50-331(a), the Department of Safety (DOS) is authorized to contract for the provision of any service related to the issuance, examination and renewal of driver licenses subject to applicable contracting statutes and regulations.
- Currently, DOS contracts with 42 of the 95 county clerk offices.
- The workstations and equipment necessary to issue a HCP renewal are the same as those to issue a driver license. Each workstation costs approximately \$15,000.
- Under the provisions of this legislation, DOS would incur an estimated one-time expenditure of \$795,000 to supply the remaining 53 county clerk offices with the necessary training materials and equipment for HCP renewal services (\$15,000 x 53 remaining county clerk offices).
- There were 101,495 HCP renewed in FY17-18
- In FY17-18, DOS contracted entities processed 16.52 percent (219,176) of the eligible transactions of driver license duplicates and renewals.
- It is estimated the county clerks will process at least 15 percent of all HCP renewals, or a minimum of 15,224 renewals (101,495 x 15%).
- According to information provided by DOS, the current cost to print a handgun carry permit is \$1.99.

- The mandatory recurring increase in local expenditures associated with printing costs is estimated to exceed \$30,296 (15,224 cards x \$1.99 cost).
- The Department would realize an equal recurring decrease in expenditures of \$30,296, as the county clerks would incur the cost of printing an estimated 15 percent of HCP renewals.
- A name-based criminal history record check is executed by DOS at no cost and it is estimated that the increase in workload to the Department for these checks can be accomplished with existing resources and personnel.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jmg